



Board Agenda Item 31

DATE: May 3, 2022

TO: Board of Supervisors

SUBMITTED BY: Susan Holt, Director, Department of Behavioral Health

SUBJECT: CalMHSA Presumptive Transfer Program

RECOMMENDED ACTION(S):

1. **Approve and authorize the Chairman to execute Amendment No. 1 to Agreement with the California Mental Health Services Authority for the Presumptive Transfer Program, to extend the term of the existing Participation Agreement (State No. 421-2018-PT-FC-A1) by three years from July 1, 2022 to June 30, 2025 and increasing the maximum by \$600,000 to a total of \$1,200,000; and,**
2. **Approve and authorize the Department of Behavioral Health Director, or designee, to be the signatory and act as the Fresno County representative on behalf of the Board of Supervisors on associated California Mental Health Services Authority Presumptive Transfer Program related reports and forms, without modifying the maximum compensation.**

Approval of the recommended actions will allow the Department of Behavioral Health to continue participating in the California Mental Health Services Authority (CalMHSA) Presumptive Transfer Program (Program). The Program operates a banking pool and acts as a fiscal agent for participating counties to make and receive transfer payments for specialty mental health services (SMHS) reimbursed through Federal Financial Participation (FFP). Approval of the recommended amendment will allow the Department to reallocate funding earmarked for this program to continue local program activities through June 30, 2025. The agreement will be funded with Realignment funds, with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

There are no viable alternative actions. Should your Board not approve the recommended actions, the Department would not be able to participate in the inter-member transfer payment program to facilitate prompt payments between counties as required by Welfare and Institutions Code (W&IC), section 14717.1.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The recommended amendment increases the maximum amount of the agreement to \$1,200,000 and will be fully offset with Realignment funds. Sufficient appropriations and estimated revenues will be included in the Department's Org 5630 FY 2022-23 Recommended Budget and will be included in subsequent budget requests.

DISCUSSION:

On March 12, 2019, your Board approved Agreement No. 19-113 with CalMHSA authorizing the Department to join in the Presumptive Transfer Program. Counties who provide foster youth SMHS are reimbursed through FFP and county match through Medi-Cal billing. CalMHSA operates a banking pool and acts as a fiscal agent for participating counties to make and receive inter-member transfer payments. Each participating county has a separate financial ledger account and receives periodic statements of year-to-date balance, payments to other counties, and payments from other counties, administration costs and interest earned. Required future funding is based on the projection of actual expenses in order to make funding continuously available for program. CalMHSA will transfer funds back to the participating counties that have more funding than deemed necessary for the program.

Upon approval by your Board, the previously approved Participation Agreement (State No. 421-2018-PT-FC-A1) will be extended through June 30, 2025. Approval of the recommended actions will allow foster children who are placed outside of the County to access SMHS in a timely manner. It will also allow the County to be reimbursed timely for SMHS provided to foster children placed in this county. Under the W&IC, section 14717.1, responsibility for providing or arranging for SMHS shall promptly transfer from the county of original jurisdiction to the county in which a foster child resides, subject to any exceptions established pursuant to that section.

The recommended agreement varies from the standard county template as it was drafted by CalMHSA and is utilized by CalMHSA to execute Participation agreements with different counties and is consistent statewide. Risk Management recommended the inclusion of updated County insurance requirements and an amendment to "Exhibit B: General Terms & Conditions" of the prior agreement. The original agreement contained limited indemnification and risk transfer capacity which limited damages solely to funds transferred in error by the intermediary. Risk advised that the provision of PHI to CalMHSA necessitated Cyber insurance and a revision of the indemnification language as well as inclusion of a timely reporting requirement in the event of a breach of PHI. CalMHSA agreed to include a Business Associates Agreement (BAA) which addressed some concerns regarding the reporting period, however, did not meet the insurance recommendations. The BAA was reviewed by Risk Management and County Counsel. The department believes that the benefit of the contract as written outweigh any potential risks and recommends approval of the agreement. Upon approval by your Board, CalMHSA will sign and execute the amended participation agreement.

REFERENCE MATERIAL:

BAI #29, March 12, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with CalMHSA

CAO ANALYST:

Sonia M. De La Rosa